

Message Text

CONFIDENTIAL

PAGE 01 CANBER 08074 130414Z

63

ACTION EA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-01 INR-05 L-02

NSAE-00 NSC-05 PA-01 RSC-01 PRS-01 SP-02 SS-15

USIA-06 OMB-01 IO-10 EB-07 LAB-04 SIL-01 FEA-01 /077 W

----- 048312

R 130343Z DEC 74

FM AMEMBASSY CANBERRA
TO SECSTATE WASHDC 4662

CONFIDENTIAL CANBERRA 8074

E.O. 11652: GDS

TAGS: AS, PINT

SUBJECT: ALP FORTUNES ON EVE OF PRIME MINISTER WHITLAM'S
EUROPEAN TOUR

REF: CANBERRA 6865, 7955, 7968, 7980, 8034

1. SUMMARY: PRIME MINISTER WHITLAM LEAVES AUSTRALIA FOR A 5-1/2 WEEK EUROPEAN TOUR TOMORROW. HE LEAVES BEHIND A DISPIRITED AND DIVIDED GOVERNMENT TEAM. THE WHITLAM MINISTRY'S PERFORMANCE IN THE LAST SEVERAL WEEKS RAISES QUESTIONS ABOUT ITS ABILITY TO GOVERN EFFECTIVELY. END SUMMARY.

2. THE WHITLAM GOVERNMENT HAS HAD A BAD SEVERAL WEEKS. FIRST THERE WAS A BACKGROUND BRIEFING ON MINERALS POLICY ON 10 OCT 74 WHICH PRECIPITATED A PUBLIC ROW BETWEEN THE DEPARTMENT OF FOREIGN AFFAIRS AND MR. CONNOR, THE MINISTER OF FUELS AND ENERGY. NEXT THE PRIME MINISTER HANDLED THE REPLACEMENT OF MR. CREAN BY DR. CAIRNS AT THE TREASURY IN A WAY WHICH STIRRED UP UNNECESSARY CONTROVERSY AND PUBLIC RECRIMINATIONS. THEN THE GOVERNMENT ADOPTED A NUMBER OF THE ECONOMIC POLICIES WHICH WERE PROPOSED BY THE LIBERAL PARTY IN THE LAST ELECTION AND THE ATTEMPT TO APPOINT MISS MOROSI AS DR. CAIRN'S PRIVATE SECRETARY AND THE APPOINTMENT OF PETER WILENSKI AS PERMANENT SECRETARY OF THE MINISTRY OF LABOR AND IMMIGRATION AROUSED OPPOSITION IN THE PRESS AND IN OPPOSITION PARTIES AND LED TO ACCUSATIONS OF FAVORITISM IN

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CANBER 08074 130414Z

PUBLIC SERVICE APPOINTMENTS. THE MOST SERIOUS SETBACK,

HOWEVER, WAS THE QUEENSLAND PARLIAMENTARY ELECTION DEC 7. THE PRIME MINISTER AND MOST OF LABOR CABINET CAMPAIGNED VIGOROUSLY IN QUEENSLAND AND IN EFFECT TURNED THE ELECTION INTO A REFERENDUM ON THE ALP'S FEDERAL POLICIES. THE RESULT WAS A DISASTROUS SETBACK FOR THE ALP.

3. THESE FACTORS COUPLED WITH A WORSENING ECONOMIC SITUATION HAVE LED TO DIVISIONS WITHIN THE ALP'S RANKS. ALP PRESIDENT BOB HAWKE CALLED FOR THE PRIME MINISTER TO CANCEL HIS EUROPEAN TRIP AND TO REMAIN HOME TO MANAGE THE ECONOMY. THE MINISTER FOR NORTHERN DEVELOPMENT, DR. PATTERSON, STATED THAT THE PRIME MINISTER WAS OUT OF TOUCH WITH THE PEOPLE OF QUEENSLAND. IN THE STRONGEST CRITICISM YET MADE AGAINST THE PRIME MINISTER BY MEMBER OF THE CABINET DR. PATTERSON SAID: "DOWN-TO-EARTH GRASS ROOT POLITICS INSTEAD OF AIRY-FAIRY, ACADEMIC AND THEORETICAL MUMMO-JUMBO POLICIES, EVEN IF THEY ARE ECONOMICALLY SOUND ARE WHAT IS REQUIRED IN QUEENSLAND AND TO RESTORE CONFIDENCE IN THE LABOR GOVERNMENT." MR. JACK EGERTON, THE SENIOR VICE-PRESIDENT OF THE ALP MADE A SIMILAR CRITICISM AND SAID THAT THE ALP'S QUEENSLAND LOSSES WERE DUE TO FEDERAL ISSUES. THE ALP PREMIER OF SOUTH AUSTRALIA, DON DUNSTAN, AND NEW SOUTH WALES LABOR LEADER WRAN BOTH CRITICIZED THE FEDERAL GOVERNMENT FOR ITS FAILURE TO CONSULT WITH THE STATE LABOR PARTY ORGANIZATIONS AND OTHER REPRESENTATIVES OF THE LABOR PARTY. THE PRIME MINISTER'S TRIP AND THE QUEENSLAND ELECTION ARE BOTH ON THE AGENDA OF WHAT PROMISES TO BE A STORMY ALP FEDERAL EXECUTIVE MEETING SCHEDULED FOR 13 DEC 74 ALTHOUGH WE EXPECT THAT DIFFERENCES WITHIN THE ALP TO BE PATCHED OVER AT THIS MEETING.

5. COMMENT: THERE IS A FEELING OF CONFUSION AND DRIFT WITHIN THE ALP AT THE PRESENT TIME. THE PRIME MINISTER DOES NOT GIVE THE IMPRESSION OF BEING IN FIRM CONTROL EITHER OF CABINET OR OF GOVERNMENT POLICIES. ALP LEADERS ARE DEEPLY CONCERNED BY A WORSENING ECONOMIC SITUATION AND BY A STRONG SWING IN VOTER SENTIMENT AWAY FROM THE ALP. THERE APPEARS TO BE LITTLE LIKELIHOOD THAT EITHER THE POLITICAL OR ECONOMIC SITUATION WILL IMPROVE DURING THE PRIME MINISTER'S ABSENCE.

SIMPSON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CABINET, ELECTION RESULTS, POLITICAL SITUATION, ECONOMIC PROGRAMS
Control Number: n/a
Copy: SINGLE
Draft Date: 13 DEC 1974
Decapton Date: 01 JAN 1960
Decapton Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974CANBER08074
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740361-1017
From: CANBERRA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741238/aaaabgbs.tel
Line Count: 98
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 74 CANBERRA 6865, 74 7955, 74 7968, 74 7980, 74 8034
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 09 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 JUL 2002 by boyleja>; APPROVED <27 MAR 2003 by CunninFX>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ALP FORTUNES ON EVE OF PRIME MINISTER WHITLAM'S EUROPEAN TOUR
TAGS: PINT, PGOV, AS, ALP
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005